



Request for City Council Committee Action from the Department of Public Works

Date: July 8, 2014

To: Honorable Kevin Reich, Chair Transportation & Public Works Committee

Referral To: Honorable John Quincy, Chair Ways and Means Committee

Subject: **2014 Alley Resurfacing Program No AL014: Public Hearing**

Recommendation:

1. Pass a resolution ordering the City Engineer to proceed and do the work and adopting special assessments in the amount of \$119,079.15 for the 2014 Alley Resurfacing Program.
2. Pass a resolution requesting the Board of Estimate and Taxation to authorize the City's issuance and sale of assessment bonds in the amount of \$119,080 with the bonds to be paid for from special assessments.

Previous Directives:

- Nov 12, 2013 - Council resolution 2013R-509, establishing the 2014 Uniform Assessment Rates
- May 23, 2014 - Council resolution 2014R-233, designating the alleys and improvements to be made

Department Information:

Prepared by: Suzette Hjermstad, RE Investigator II, 673-2401
Michael D. Kennedy, P.E., Director, Transportation Maintenance & Repair

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Michael D. Kennedy, P.E, Director, Transportation, Maintenance & Repair

Financial Impact

- Special assessments against benefited properties

Community Impact

- Neighborhood Notification: Public hearing notices were mailed to affected property owners on June 23, 2014
- City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city

Supporting Information

On May 23, 2014, the City Council designated the alley locations for the improvements to be made. These improvements consist of installing a bituminous overlay on the concrete alleys. This work is being done to extend the operational life of the concrete alleys and to facilitate localized drainage.

Thirteen alleys located throughout the city are scheduled to be resurfaced in 2014. The project cost estimate for this work is \$338,030. The 2014 adopted uniform assessment rate will be used for the portion of the project cost being assessed, conforming with current City policy of using a Uniform Assessment rate for street construction, renovation and resurfacing projects. Per Council Resolution 2013R-509, the uniform assessment rate for alley resurfacing for 2014 is \$0.065 per sq. foot of land area abutting the alley to be improved. The rate is the same for residential and non-residential use properties and the rate is unchanged since 2010. The total amount to be assessed is \$119,079.15. The remaining costs not covered by assessments will be funded by Net Debt Bonds.

Individual assessments of more than \$150 would be collected over 5 years beginning on the 2015 real estate tax statements with interest charged at the same rate as the City pays for selling assessment bonds. Individual assessments of \$150 or less would be collected in their entirety on the 2015 real estate tax statements. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest charges if they so choose. The majority of the assessment amounts are in the price range of \$325 to \$400 in the 2014 alley resurfacing project areas.

Attachments:

List of benefited alleys

Cc: Council Member Barbara Johnson, Ward 4

Council Member Blong Yang, Ward 5

Council Member Abdi Warsame, Ward 6

Council Member Alondra Cano, Ward 9

Council Member John Quincy, Ward 11

Council Member Andrew Johnson, Ward 12

Council Member Linea Palmisano, Ward 13

Jack Qvale, Secretary, Board of Estimate and Taxation

2014 Alleys Designated for Resurfacing

- | | |
|---|---------|
| 1. Between Lincoln St NE and Johnson St NE from 23 rd Av NE to Lowry Av | Ward 1 |
| 2. Between 25 th Av SE and 26 th Av SE from Talmage Av SE to E Hennepin Av | Ward 1 |
| 3. Between Queen Av N and Russell Av N from 42 nd Av N to 43 rd Av N | Ward 4 |
| 4. Between Sheridan Av N and Russell Av N from Oak Park Av N to 12 th Av N | Ward 5 |
| 5. Between 2 nd Av S and 3 rd Av S from 22 nd St E to Franklin Av E | Ward 6 |
| 6. Between 2nd Av S and 3 rd Av S from 18 th St E to 17 th St E | Ward 6 |
| 7. Between 34 th Av S and 35 th Av S from 34 th St E to 33 rd St E | Ward 9 |
| 8. Between Irving Av S and Humboldt Av S from 35 th St W to 34 th St W | Ward 10 |
| 9. Between 18 th Av S and Cedar Av S from 47 th St E to 46 th St E | Ward 11 |
| 10. Between Pleasant Av S and Pillsbury Av S from 48 th St W to 47 th St W | Ward 11 |
| 11. Between Harriet Av and Gladstone Av from Minnehaha Pkwy W to Elmwood Pl W | Ward 11 |
| 12. Between 29 th Av S and 30 th Av S from 40 th St E to 39 th St E | Ward 12 |
| 13. Between Morgan Av S and Logan Av S from 50 th St W to 49 th St W | Ward 13 |

T&PW & W&M/Budget - Your Committees recommend passage and summary publication of the accompanying Resolutions:

- 1, Ordering the work to proceed and adopting the special assessments for the 2014 Alley Resurfacing Program, Special Improvement of Existing Alleys No. AL014.
2. Requesting the Board of Estimate and Taxation to authorize the City's issuance and sale of assessment bonds in the amount of \$119,080 for the 2014 Alley Resurfacing Program.

Reich

2014 Alley Resurfacing Program Special Improvement of Existing Alleys No. AL014

Ordering the work to proceed and adopting the special assessments for the 2014 Alley Resurfacing Program.

Whereas, a public hearing was held on July 8, 2014 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2014R-233, passed May 23, 2014 to consider the proposed special assessments as on file in the office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2014R-233, passed May 23, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$119,079.15 for the 2014 Alley Resurfacing Program as on file in the office of the City Clerk, be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at five (5) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2015 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2015 real estate tax statements.

Reich and Quincy

Requesting the Board of Estimate and Taxation to authorize the City's issuance and sale of assessment bonds in the amount of \$119,080 for the 2014 Alley Resurfacing Program.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of alley improvements in the 2014 Alley Resurfacing Program, Special Improvement of Existing Alleys No AL014, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collectible in five (5) successive annual installments, payable in the same manner as real estate taxes.